

WHAT IS CLAIMED IS:

- 1        1. A method of valuing an intangible asset, comprising the steps of:
  - 2                calculating a monetary value of a tangible asset associated with said intangible asset;
  - 3                determining a competitive advantage of said tangible asset over competing tangible assets
  - 4                as a percentage thereof; and
  - 5                calculating a value for said intangible asset based upon a relative contribution of said
  - 6                intangible asset to said competitive advantage of said tangible asset.
  
- 1        2. The method of claim 1, wherein the step of calculating a monetary value of a tangible asset  
2                associated with said intangible asset comprises the steps of:
  - 3                determining a total annual gross sales in a market for said tangible asset;
  - 4                determining an annual percent growth of said market;
  - 5                determining a life cycle in years of said tangible asset;
  - 6                determining a profit margin of said tangible asset as a percent of gross sales;
  - 7                determining a present value discount factor; and
  - 8                summing a multiple of said total annual gross sales, said annual percent growth, said
  - 9                profit margin, and said present value discount factor over each year of said life cycle of said
  - 10              tangible asset.

1       3. The method of claim 1, wherein the step of determining a competitive advantage of said  
2       tangible asset over competing assets as a percentage thereof comprises the steps of:  
3              identifying at least one parameter associated with said tangible asset relevant to  
4              commercial success in the marketplace; and  
5              comparing said parameter with at least one parameter of at least one competing tangible  
6              asset to determine said competitive advantage of said tangible asset as a percent variation.

1       4. The method of claim 1, wherein the step of calculating a value for said intangible asset based  
2       upon a relative contribution of said intangible asset to said competitive advantage of said tangible  
3       asset comprises the steps of:  
4              identifying a parameter dependent on said intangible asset and associated with said  
5              tangible asset that is relevant to commercial success in the marketplace;  
6              calculating said relative contribution of said intangible asset to said competitive  
7              advantage of said tangible asset based on a contribution of said parameter to said competitive  
8              advantage of said tangible asset as compared to related intangible assets; and  
9              multiplying said relative contribution of said intangible asset with said value of said  
10         tangible asset.

1           5. A method of valuing a pre-market product, comprising the steps of:

2               determining a present monetary value of an intended market for said pre-market product;

3               calculating a competitive advantage of said pre-market product in said intended market as

4           a percent variation;

5               predicting a market share of said pre-market product based on said competitive

6           advantage; and

7               calculating a monetary value for said pre-market product by multiplying said predicted

8           market share and said present monetary value of said intended market.

1           6. The method of claim 5, wherein the step of determining a present monetary value of an

2           intended market for said pre-market product comprises the steps of:

3               determining a total annual gross sales of said intended market for said pre-market

4           product;

5               determining an annual growth of said intended market as a percent;

6               determining a life cycle of said pre-market product in years;

7               determining a profit margin of said tangible asset as a percent of gross sales;

8               determining a present value discount factor; and

9               summing a multiple of said total annual gross sales, said annual growth, said profit

10          margin, and said present value discount factor over each year of said life cycle of said tangible

11          asset.

1       7. The method of claim 5, wherein the step of calculating a competitive advantage of said pre-  
2 market product in said market as a percent variation comprises the steps of:

3                  comparing a plurality of parameters of said pre-market product to a plurality of  
4 corresponding parameters of competing products in said intended market to determine a  
5 competitive advantage for each said parameter of said pre-market product as a percent variation;  
6 and

7                  weighing and averaging said competitive advantages of the parameters to determine said  
8 competitive advantage of said pre-market product in said market.

1       8. The method of claim 5, wherein the step of predicting a market share of said pre-market  
2 product based on said competitive advantage comprises the steps of:

3                  determining an average market share of said market; and  
4                  multiplying said average market share by said competitive advantage.

5       9. A method of determining the monetary value of an intangible property license, comprising  
6 the steps of:

3                  determining a monetary value to the licensor and licensee based on a change in monetary  
4 value of a tangible asset associated with an intangible asset subject to said license; and  
5                  calculating said monetary value to said licensor and licensee by comparing said changes  
6 in monetary value.

1       10. The method of claim 9, wherein the step of determining a monetary value to the licensor and  
2       licensee based on a change in monetary value of a tangible asset associated with an intangible  
3       asset subject to said license comprises the steps of:

4               calculating an increase in a competitive advantage of said tangible asset as a percent  
5       variation due to said intangible asset subject to said license for said licensee;

6               calculating a decrease in a competitive advantage of said tangible asset as a percent  
7       variation due to said intangible asset subject to said license for said licensor;

8               determining a monetary value of said tangible asset by multiplying a monetary value for a  
9       market for said tangible asset and an average percent market share in said market;

10              determining a minimum monetary value to said licensor by multiplying said percent  
11       decrease by said monetary value of said tangible asset; and

12              determining a maximum monetary value to said licensee by multiplying said percent  
13       increase by said monetary value of said tangible asset.

1       11. The method of claim 9, wherein the step of calculating said monetary value to said licensor  
2       and licensee by comparing said changes in monetary value comprises the steps of:

3               calculating a net monetary value by subtracting a minimum monetary value to said  
4       licensor from a maximum monetary value to said licensee;

5               determining an equal return payment that provides an equal return on investment to the  
6       licensor and licensee;

7               calculating said monetary value to the licensor as equal to said equal return payment; and

8               calculating said monetary value to the licensee by subtracting said equal return payment  
9       from said net value.

10      12. A method of determining the monetary value of a new intangible asset, comprising:

11               calculating a change in a competitive advantage of a tangible asset associated with said  
12       new intangible asset as a percent variation; and

13               calculating said monetary value by multiplying said change in said competitive advantage  
14       of said tangible asset and an average market share in an intended market.

1       13. The method of claim 12, wherein the step of calculating a change in a competitive  
2       advantage of a tangible asset associated with said new intangible asset as a percent variation  
3       comprises the steps of:

4              identifying at least one parameter associated with said tangible asset relevant to  
5       commercial success in the marketplace;

6              comparing said parameter with at least one parameter of at least one competing tangible  
7       asset to determine said competitive advantage said tangible asset as a percent variation;

8              calculating a competitive advantage for said tangible asset without said new intangible  
9       asset as a percent variation;

10             calculating a competitive advantage for said tangible asset with said new intangible asset  
11       as a percent variation; and

12             subtracting said competitive advantage for said tangible asset without said new intangible  
13       asset from said competitive advantage for said tangible asset with said new intangible asset.

1       14. The method of claim 12, wherein the step of calculating said monetary value by multiplying  
2       said change in said competitive advantage of said tangible asset and an average market share in  
3       an intended market comprises the steps of:

4                 calculating a present monetary value of said intended market for said tangible asset;

5                 calculating said average market share in said intended market as a percent;

6                 determining said average product present monetary value by multiplying said present  
7       monetary value of said intended market by said average market share;

8                 multiplying said average product present monetary value and said change in said  
9       competitive advantage.

15. A method of predicting the market share of a tangible asset, comprising the steps of:

2                 determining a competitive advantage as a percent variation of said tangible asset in an  
3       intended market;

4                 determining an average market share as a percent of said market; and

5                 multiplying said average market share and said competitive advantage.

1        16. A method of apportioning the value of a tangible asset among the distinct groups of  
2        intangible assets, comprising the steps of:  
3                calculating a monetary value of said tangible asset;  
4                calculating an amount of firm expenditures on research and development, advertising, and  
5        business innovation as a percentage of total firm expenditures on said research, said advertising,  
6        and said business innovation; and  
7                multiplying each said percent of firm expenditures with said monetary value of said  
8        tangible asset.

1        17. A method of calculating a license payment that provides a licensee and a licensor an equal  
2        return on investment in a license, comprising the steps of:  
3                calculating a minimum value of said license to said licensor;  
4                calculating a maximum value of said license to a licensee;  
5                calculating a net value by subtracting said minimum value from said maximum value;  
6                determining said licensor investment in the subject of said license; and  
7                calculating said license payment as an amount which when said amount is divided by said  
8        licensor investment equals said net value minus said payment divided said payment.

1        18. A method of valuing an intangible asset, comprising the steps of:

2              associating said intangible asset with a tangible asset;

3              determining a total annual gross sales in a market for said tangible asset;

4              determining an annual percent growth of the market;

5              determining a life cycle in years of said tangible asset;

6              determining a profit margin of said tangible asset as a percent of gross sales;

7              determining a present value discount factor;

8              summing a multiple of said total annual gross sales, said annual percent growth, said

9              profit margin, and said present value discount factor over each year of said life cycle of said

10             tangible asset;

11              identifying at least one parameter associated with said tangible asset relevant to

12             commercial success in the marketplace;

13              comparing said parameter with at least one parameter of at least one competing tangible

14             asset to determine said competitive advantage of said tangible asset as a percent variation;

15              identifying a parameter dependent on said intangible asset and associated with said

16             tangible asset that is relevant to commercial success in the marketplace;

17              calculating said relative contribution of said intangible asset to said competitive

18             advantage of said tangible asset based on a contribution of said parameter to said competitive

19             advantage of said tangible asset; and

20              multiplying said relative contribution of said intangible asset with said value of said

21             tangible asset.

1        19. A method of valuing a pre-market product, comprising the steps of:

2                determining a total annual gross sales of an intended market for said pre-market product;

3                determining an annual growth of said intended market as a percent;

4                determining a life cycle of said pre-market product in years;

5                determining a profit margin of said tangible asset as a percent of gross sales;

6                determining a present value discount factor;

7                summing a multiple of said total annual gross sales, said annual growth, said profit

8                margin, and said present value discount factor over each year of said life cycle of said tangible

9                asset;

10               comparing a plurality of parameters of said pre-market product to a plurality of

11               corresponding parameters of competing products in said intended market to determine a

12               competitive advantage for each said parameter of said pre-market product as a percent variation;

13               weighing and averaging said competitive advantages of the parameters to determine said

14               competitive advantage of said pre-market product in said market;

15               determining an average market share of said market;

16               multiplying said average market share by said competitive advantage; and

17               calculating a monetary value for said pre-market product by multiplying said predicted

18               market share and said present monetary value of said intended market.

1       20. A method of determining the monetary value of an intangible property license, comprising  
2       the steps of:

3               calculating a increase in a competitive advantage of said tangible asset as a percent  
4       variation due to said intangible asset subject to said license for said licensee;

5               calculating a decrease in a competitive advantage of said tangible asset as a percent  
6       variation due to said intangible asset subject to said license for said licensor;

7               determining a monetary value of said tangible asset by multiplying a monetary value for a  
8       market for said tangible asset and an average percent market share in said market;

9               determining a minimum monetary value to said licensor by multiplying said percent  
10      decrease by said monetary value of said tangible asset;

11               determining a maximum monetary value to said licensee by multiplying said percent  
12      increase by said monetary value of said tangible asset;

13               calculating a net monetary value by subtracting a minimum monetary value to said  
14      licensor from a maximum monetary value to said licensee;

15               determining an equal return payment that provides an equal return on investment to the  
16      licensor and licensee;

17               calculating said monetary value to the licensor as equal to said equal return payment; and

18               calculating said monetary value to the licensee by subtracting said equal return payment  
19      from said net value.

1           21. A method of determining the monetary value of a new intangible asset, comprising:

2                 identifying at least one parameter associated with said tangible asset relevant to

3                 commercial success in the marketplace;

4                 comparing said parameter with at least one parameter of at least one competing tangible

5                 asset to determine said competitive advantage said tangible asset as a percent variation;

6                 calculating a first competitive advantage for said tangible asset without said new

7                 intangible asset as a percent variation;

8                 calculating a second competitive advantage for said tangible asset with said new

9                 intangible asset as a percent variation;

10                 subtracting said first competitive advantage for said tangible asset without said new

11                 intangible asset from said second competitive advantage for said tangible asset with said new

12                 intangible asset;

13                 calculating a present monetary value of an intended market for said tangible asset;

14                 calculating an average market share in said intended market as a percent;

15                 determining an average product present monetary value by multiplying said present

16                 monetary value of said intended market by said average market share; and

17                 multiplying said average product present monetary value and said change in said

18                 competitive advantage.